

APPENDIX II
Contract No. HF-CT-693

Pricing Formula
Period: 1 January 1959 - 30 June 1959

Manufacturing Labor

Assembly	at \$1.66/hr.
Machine Shop	at 2.06/hr.
Sheet Metal Shop	at 2.04/hr.
Transformer Shop	at 1.80/hr.
Paint Shop	at 2.06/hr.
Finishing	at 1.95/hr.
Welding	at 2.68/hr.
Inspection	at 1.95/hr.
Quality Control Engineering	at 2.33/hr.
Testing	at 2.21/hr.
Shipping	at 1.96/hr.
Prototype	at 1.70/hr.
Mechanical Assembly	at 1.97/hr.

Total Manufacturing Labor

Manufacturing Overhead at 178% Manufacturing
Direct Labor

Engineering Labor

Engineering A	at \$5.25/hr.
Engineering B	at 3.72/hr.
Engineering C	at 2.83/hr.
Engineering D	at 6.69/hr.
Design and Drafting	at 3.01/hr.
Technicians	at 2.22/hr.
Model Shop	at 2.74/hr.
Env. Test Lab.	at 2.91/hr.

Total Engineering Labor

Engineering Overhead at 114% Engineering Direct
Labor

Total Labor and Overhead

Materials	Actual
Inventory Cost	
Packaging & Inspection of Spares	At 8.8% based on Inventory
Production	Cost - at .5% based on
Overages & Short	<u>Inventory Cost and Packaging</u>

25 YEAR RE-REVIEW

Total Cost to Produce
General and Administrative

at 6% of Total Cost to
Produce

Total Cost
Research and Development

at 1.27% of selling price or
1.40% of cost of sales.

Profit

at 10% of Total Cost

Price

APPENDIX III
Contract No. HF-CT-693

Pricing Formula
Period: 1 July 1959 - 30 June 1960

Manufacturing Labor

Assembly	at \$ 1.79/hr
Machine Shop	at 2.22
Sheet Metal Shop	at 2.19
Transformer	at 1.94
Paint Shop	at 2.22
Finishing	at 2.10
Welding	at 2.89
Inspection	at 2.10
Quality Control Engineering	at 2.50
Testing	at 2.37
Shipping	at 2.11
Prototype	at 1.83
Mechanical Assembly	at 2.12

Total Manufacturing Labor

Manufacturing Overhead at 178% Manufacturing
Direct Labor

Engineering Labor

Engineering A	at 5.50/hr
Engineering B	at 3.89
Engineering C	at 2.97
Engineering D	at 7.00
Design and Drafting	at 3.15
Technicians	at 2.32
Model Shop	at 2.86
Env. Test Lab.	at 3.05

Total Engineering Labor

Engineering Overhead at 114% Engineering Direct
Labor

Total Labor and Overhead

Materials	Actual
Inventory Cost	
Packaging & Inspection of Spares	At 8.8% based on Inventory Cost
Production Overages & Shortages	At .5% based on Inventory Cost <u>and Packaging</u>

Total Cost to Produce
General and Administrative

at 6% of Total Cost to Produce

Total Cost
Research and Development

at 1.27% of selling price or 1.40%
of cost of sales.

Profit

at 10% of Total Cost

Price

Note 1. In the event supplies called for hereunder exceed \$2,000.00 during this period, the parties hereto agree to review and, if feasible, negotiate new rates for this period.